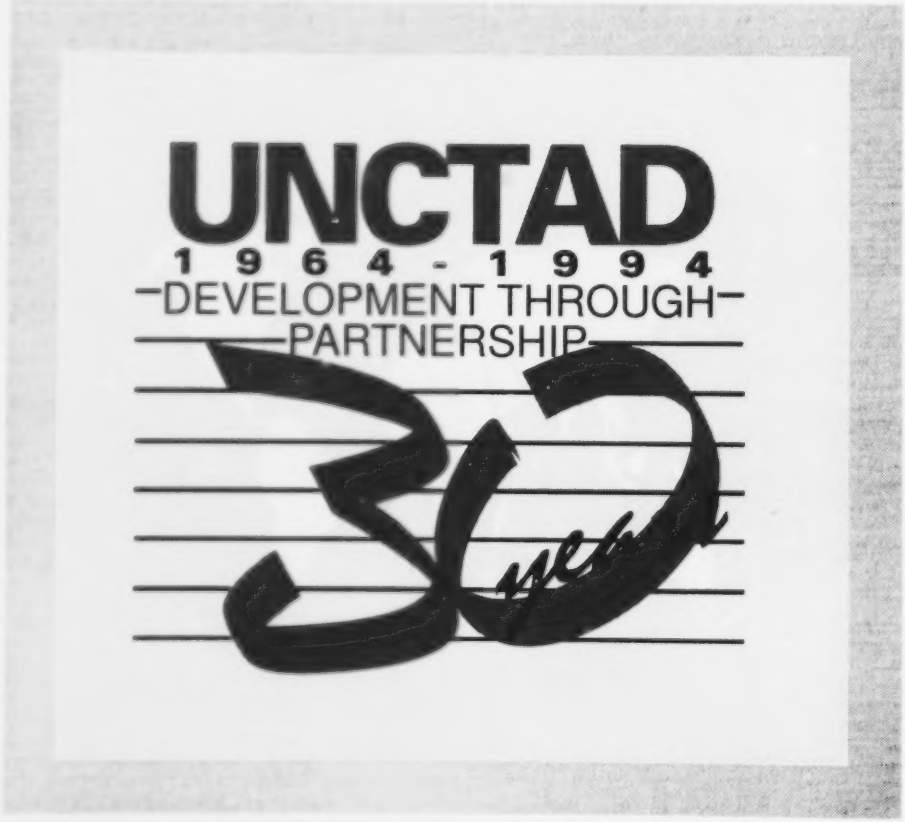
UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

SECURING GROWTH AND DEVELOPMENT

A GUIDE TO UNCTAD: 30 YEARS AND BEYOND



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PREFACE

On the occasion of UNCTAD's Thirtieth Anniversary, this publication outlines the origins, ideals, role and programmes of UNCTAD at the start of the fourth decade. Its purposes are to present an overview of UNCTAD's signal contributions to trade and development and highlight the evolution of UNCTAD's role to both reflect and shape the international environment for development.

The first section, entitled "Origins and Ideals" reviews UNCTAD's evolution. Attention is drawn to the revitalisation of tasks and institutional machinery by UNCTAD VIII held at Cartagena, Colombia in February 1992 to equip UNCTAD to face the challenges of trade and development in the 1990s.

The second section, entitled "Major Programmes", briefly sketches each of UNCTAD's main fields of activity and its chief tasks in coming years. It focuses on key contributions and UNCTAD's wide mandate as the UN system's focal point for building international consensus on trade and development issues.

I. ORIGINS AND IDEALS

COOPERATION FOR GROWTH

The United Nations Conference on Trade and Development (UNCTAD) was established in 1964 to affirm the United Nations General Assembly's conviction that international cooperation in trade and development is vital for world economic growth and the economic development of developing countries.

With a membership of 187 States, UNCTAD is a permanent intergovernmental body and a principal organ of the General Assembly. It is committed to accelerating international trade and development through cooperation, negotiation and partnership. It is distinctive not only for what it has achieved, but also because it is the only United Nations body dealing with economic issues in holistic terms, going beyond sectors to include their interactions and interlinkages.

Its special quality is its concern with change as the hallmark of development. That helps to explain the evolution which has marked its life during the last three decades.

In the aftermath of the Second World War, developing countries did not exist as a category in world affairs and little attention was paid to the international environment for economic development by the newly created World Bank, International Monetary Fund (IMF) and General Agreement on Tariffs and Trade (GATT).

But the economic interdependence of states came to be increasingly recognised and the debate about economic development intensified as developing countries become independent during the 1950s and 1960s. That led to the launch of the First United Nations Development Decade. A Conference on the Problems of Developing Countries in Cairo in July 1962 called for an international conference on "all vital questions relating to

international trade, primary commodity trade and economic relations between developing and developed countries".
In the same year, a path-setting analysis by Dr. Raul Prebisch who later became UNCTAD's first Secretary General identified the inequities in the world trade system adversely affecting developing countries. He proposed a set of converging measures, under which all countries would take actions towards the common goals of reducing or removing the effects of those inequities and to promote the economic development of developing countries through international trade.

Those goals and the basic orientations for actions to achieve them were accepted by consensus at UNCTAD's founding Conference in 1964. They remain at UNCTAD's core, as it starts a fourth decade of activity to the year 2000 and beyond. The Final Act of UNCTAD I, thus marked a major step forward in multilateral economic diplomacy.

The Conference established UNCTAD as a permanent body and saw the emergence of the group system of intergovernmental decision-making. The Group of 77, which united developing countries for the purpose of negotiation with developed countries, was born at the same time as UNCTAD.

Changing to Stay Ahead

UNCTAD's role since 1964 has been a difficult one because agreements to introduce change in the prevailing order of things do not come about easily. There is no doubt, however, that it has helped to forge new perceptions, concepts, approaches and actions in its three decades of study, policy analysis, negotiations and consensus-building.

UNCTAD is evolving constantly and is characterised by flexibility and responsiveness to the changing needs of its Member States and to the evolving international economic and trade environment. The Conferences held every four years provide regular forums to re-focus UNCTAD's approaches, recommendations and actions.

Since inception, it has worked to bring about a rational, growth-oriented and equitable international trade and economic order

through peaceful, non-confrontational and mutually beneficial means.

UNCTAD's early years were marked by high rates of trade and economic growth particularly in developed countries, worsening terms of trade for developing country commodity exports and an increasing incomes gap between them and the developed countries. Recognition of these factors led to consensus on needs to increase financial flows to developing countries, strengthen and stabilise commodity markets and support developing country participation in world trade. The specific actions agreed at UNCTAD I, II and III reflected this consensus.

The 1970s saw an erosion of the multilateral trading system and a slowdown in world economic growth rates with adverse consequences for the trade and economic development of developing countries. Significant decisions were taken as a result of negotiations under UNCTAD auspices on commodity market stabilisation and preferential treatment for the exports of development countries. The Group of 77 also pushed forward with the call for a New International Economic Order (NIEO) leading to tensions among member States using UNCTAD as a forum for negotiations.

The situation worsened through the 1980s which came to be known as the lost decade for development. One result was that in the mid-1980s dialogue and negotiations between developed and developing countries became deadlocked in most forums.

A perceptible loss of confidence occurred in UNCTAD's role as a facilitator of consensus and conciliator of divergent views. Multilateral methods of dealing with international trade and development problems were eroded and several countries began to prefer bilateral approaches.

But the momentous changes that took place in the world in the late 1980s forced a reassessment of international economic cooperation. A fresh consensus emerged in the early 1990s on the need for new actions to support the international trade and economic development of developing countries.

This consensus took shape at UNCTAD VIII, held at Cartagena, Colombia in February 1992, which became a high point in the dialogue between developing and developed countries.

UNCTAD's Goals

UNCTAD's goals include:

- Encouraging consensus in favour of changes in the world trade system to foster economic development
- Formulating pragmatic principles and policies on international trade and development, and facilitating their application
- Promoting the international trade and economic development of developing countries
- Introducing a development dimension in international economic policies
- Promoting appropriate national policies, particularly in developing countries, supporting market-orientation, entrepreneurship, transparent decision-making, efficient practices and good economic management
- Promoting trade and economic cooperation among developing countries whatever their stage of development or economic and social systems
- Providing special help for the poorest developing countries which are usually the least able to take advantage of the benefits of trade for their economic development.

UNCTAD's Achievements

Trade

- *Agreement on the Generalised System of Preferences (1971): over $ 70 billion worth of developing countries exports receive preferential treatment in most developed country markets every year because of the GSP*
- *Agreement on a Global System of Trade Preferences among developing countries (1989)*
- *Agreement on the Set of Multilaterally Agreed Principles for the Control of Restrictive Business Practices (1980).*

Commodities

- *International Commodity Agreements, including those for cocoa, sugar, natural rubber, jute and jute products, tropical timber, tin, olive oil and wheat*
- *Intergovernmental commodity study groups, involving consumers and producers, including those for iron ore, tungsten, copper and nickel*
- *The Common Fund for commodities, set up to provide financial backing for the operation of international stocks and for research and development projects in the field of commodities (1989).*

Debt and Development

- *Low-income developing country debt: more than 50 of the poorer developing countries have benefited from debt relief of over $ 6.5 billion since 1978, when the Resolution on the retroactive adjustment of terms of the Official Development Assistance (ODA) debt of low-income developing countries was approved*
- *Guidelines for international action in the area of debt rescheduling (1980).*

Least Developed Countries

- Agreement on a Special New Programme of Action for the Least Developed Countries (1981)
- Programme of Action for the Least Developed Countries for the 1990s (1990).

Conventions

- UN Convention on a Code of Conduct for Liner Conferences (1974)
- UN Convention on International Carriage of Goods by Sea (1978)
- UN Convention on International Multimodal Transport of Goods (1980)
- UN Convention on Conditions for Registration of Ships (1986)
- UN Convention on Maritime Liens and Mortgages (1993).

Other

UNCTAD's work also gave impetus for decisions taken in other international forums, including:

- Agreement on Official Development Assistance targets, including the 0.7 per cent of GNP target for developing countries in general and the 0.20 per cent target for LDCs
- Improvement of the International Monetary Fund's compensatory financing facility for exports earnings shortfalls of developing countries
- Creation of the Special Drawing Rights (SDRs) by the IMF
- Reduction of commercial bank debt for the highly indebted countries.

UNCTAD VIII: A TURNING POINT

UNCTAD VIII was held against a background of dramatic political and economic changes in the world. It was helped by new impetus for global cooperation in response to the threats to economic and human security arising from economic and social frustrations and tensions in developing countries and the economies in transition.

The concept of development had also evolved significantly. From a narrow focus on economic growth and capital accumulation, development came to be widely understood as a multidimensional undertaking and a people-centred process in which the ultimate goal of economic and social policies is to improve conditions for all members of society.

Consensus emerged on the urgency of making the international trading and financial systems more responsive to the needs of economic growth, development and trade expansion. Emphasis was placed on economic interdependence and the shared responsibility of all countries to take supportive actions. Greater recognition was given to the needs for improved policy coordination, the importance of inter-linkages between the external environment and domestic policies and the contributions of the public and private sectors.

Seizing these trends towards a development consensus for the 1990s, UNCTAD VIII became a turning point in cooperation for development and revitalised UNCTAD as an institution.

UNCTAD VIII took a giant step towards laying to rest the reciprocal misgivings of developed and developing countries which had caused deadlock in the economic cooperation dialogue during the 1980s. In the **Cartagena Commitment** adopted at UNCTAD VIII, all participants pledged a **New Partnership For Development** and established the **Spirit of Cartagena** expressing their political will to translate words into reality.

UNCTAD gained both confidence and credibility because the Spirit of Cartagena not only gave priority to development as a means of securing economic, social and human security but also affirmed belief in UNCTAD as the focal point for facilitating and implementing the new development consensus.

New Orientations

Because of its wide mandate, UNCTAD has a vital role in building consensus in the areas of international trade and development by exploiting complementarities with all other agencies of the United Nations system,

That role was enhanced by agreement at Cartagena that UNCTAD is the most appropriate institutional focal point within the United Nations for the integrated treatment of development and the inter-related key issues of trade, finance, investment, services and technology.

The Conference endorsed UNCTAD's functions of:

- Policy analysis
- Intergovernmental discussion, negotiation and consensus-building
- Monitoring, implementation and follow-up of agreements
- Technical cooperation.

These functions must be exercised in a progressive sequence beginning with a definition issues, through high-quality analytical work and intergovernmental discussions and leading , when appropriate, to negotiations. Effective implementation, monitoring and follow-up of agreements was emphasised. Technical cooperation was to be strengthened and integrated in all relevant areas of UNCTAD's work.

The Conference redefined UNCTAD's activities until 1996 on four broad themes :

- A new international partnership for development
- Global interdependence
- Paths to development
- Sustainable development.

It particularly emphasised exchange of national policies and experiences as a means of enabling countries to learn from the mistakes and successes of others in both domestic and international policy.

In an overhaul of UNCTAD structures, the Conference re-focused the Trade and Development Board (TDB) on policy issues and reorganised its work, while completely re-structuring the intergovernmental machinery. Standing Committees were set up to deal with commodities, poverty alleviation, economic cooperation among developing countries and the development of the services sectors; while specific arrangements were made to handle issues of investment and financial flows, trade efficiency, privatisation, trading opportunities for developing countries, and the interrelationship between investment and technology transfer.

The Development Consensus for the 1990s

The development consensus for the 1990s underpinning the Cartagena Spirit and Commitment includes emphasis on:

- *Political arrangements for the development process based on popular consent and the observance of human rights, now widely accepted as a source of creativity, innovation and initiative*
- *Reliance on market forces, competitiveness and entrepreneurship as the essential components of economic efficiency*
- *Recognition of the role of governments to promote and undertake functions which cannot be adequately handled by the private sector*
- *Enhancing the potential for medium-term economic growth through policies that improve the functioning of markets, enlarge human capital, increase labour mobility, promote openness to international trade, encourage competitiveness and respect the environment*

- *Recognition that the pace of development depends upon sustained national policies aimed at mobilising the developing country's own latent energies, improving the efficiency of resource usage, and taking advantage of trade, investment and technological progress provided by the changing external environment*
- *Recognition that the development process requires effective supportive frameworks of broad economic policy, at both national and international levels*
- *Resort to good economic management based on transparent processes to establish frameworks and rules for the effective functioning of markets, sound macro-economic policies, and adequate human resource development*
- *Policy coordination among countries having a great weight in the world economy to avoid inconsistencies and ensure that they advance global as well as national objectives while taking full account of the interests of other countries*
- *Intensified efforts by developed countries to invigorate world economic growth through their macro-economic policies and bring about a stable and predictable international economic environment for accelerated and sustainable development*
- *Deeper understanding of global interdependence and how it has increased because of the integration of global financial markets, new inter-relationships between investment and technology flows, and increased international corporate and research networking*
- *The rise of such integration arrangements as common markets, customs unions, free trade areas or economic spaces which can be powerful forces of trade liberalisation but can also turn into economic fortresses*
- *The linkages between environment and development, particularly to ensure that wealth does not continue to cause wastage of natural resources and that poverty is steadily eliminated as a source of their degradation.*

The Spirit of Cartagena

The eighth session of the United Nations Conference on Trade and Development met in Cartagena in the midst of profound transformation in the world order. Against the background of political and economic changes, the member States and participants agreed on the existence of an unprecedented opportunity to lay the foundations for policies of cooperation aimed at promoting economic and social progress in all countries of the world.

Conscious also of the increasing interdependence of the community of nations, and bearing in mind that without lasting economic progress there can be neither peace nor security, the States members of UNCTAD agreed that development should become the priority item on the agenda of the international community. In order to confront this challenge, they decided to establish a new partnership for development based on the decisions they have taken by consensus at this Conference.

The partnership commits all member States to engage in a continuous and constructive dialogue inspired by the need to achieve a more efficient and equitable world economy. It is recognised that, for the success of this new partnership, it is important to overcome confrontation and to foster a climate of genuine cooperation and solidarity. it is equally important to strengthen national and international policies and multilateral cooperation to adapt to the new realities.

UNCTAD must play a highly significant role in the new partnership for economic development. To that end, it was agreed to revitalise UNCTAD by reforming its machinery and working methods and by strengthening its capabilities in addressing the economic and development problems of all countries, particularly developing countries. The intergovernmental machinery has been restructured with a view to take up the new challenges that have arisen in the search for an equitable and sustainable global development, which will narrow the gap between rich and poor while at the same time protecting the environment.

This strengthened UNCTAD stands ready to contribute to the implementation of the action programme, as appropriate, that my be adopted by the United Nations Conference on Environment and Development in Rio de Janeiro. Furthermore, the need is reaffirmed to give priority to the problems facing the least developed countries due to the fragility of their economies and their particular vulnerability to external shocks and natural calamities. The fight against poverty is also given a predominant place in the new mandate of UNCTAD.

A new spirit has emerged from this Conference-- the Spirit of Cartagena-- which should inspire the new economic relations between countries. This new partnership for development is an historic event which makes it possible to face the future with greater hope. The States participating in this Conference declare their political will and responsibility to ensure that the agreed commitments are translated into reality.

THE CARTAGENA COMMITMENT

Priority Areas

1. A New Partnership for Development

The central focus of UNCTAD's work is on giving high quality, concrete and pragmatic content to the new partnership for development by

- Suggesting and supporting national and international efforts to ensure greater participation in the world economy of developing countries and economies in transition
- Improving the quality, scope, depth and themes of international cooperation for development.

2. Global Interdependence

The chief aim of UNCTAD's work is now on strengthening interdependence and reducing global economic imbalances by focusing on

- The international implications of macro-economic policies
- The evolution of the world trading, monetary and financial systems
- Good management at the international level
- The impact of enlarged economic spaces and regional integration processes.

3. *Paths to Development*

Emphasis is now on studying and learning from past national development experiences to find the best paths to development. Areas of focus include

- Economic management
- The respective contributions of the public and private sectors
- Promotion of entrepreneurship
- Inter-relationships among economic progress, market-orientation, good management and popular participation
- Economic aspects of the conversion of military capacities to civilian use.

4. *Sustainable Development*

The Cartagena Commitment is the first internationally-agreed text placing the development dimension at the centre of all environmental analysis. In line with it's recommendations, UNCTAD's work now includes

- Systematic re-examination of the concepts and tools of environmental analysis to ensure that the development dimension gets sufficient weight
- Study of interaction between trade and environmental policies.
- Promotion of ecologically-sound development measures
- Generation and dissemination of environmentally-sound technologies
- Study of the impact of production and consumption patterns on sustainable development.

INTERGOVERNMENTAL MACHINERY

UNCTAD is composed of 187 member States (September 1, 1994). Its intergovernmental machinery comprises the Conference, the Trade and Development Board (TDB) and its subsidiary bodies serviced by a permanent Secretariat.

The Conference

Held every four years, the Conference is the organisation's highest policy-making body. It formulates major policy guidelines and decides on the programme of work.

Eight Conferences have taken place so far: Geneva, Switzerland (1964); New Delhi, India (1968); Santiago, Chile (1972); Nairobi, Kenya (1976); Manila, Philippines (1979); Belgrade, Yugoslavia (1983); Geneva, Switzerland (1987); and Cartagena de Indias, Colombia (1992).

The Trade and Development Board (TDB)

The Trade and Development Board (TDB) is the executive body of UNCTAD. It meets twice a year in the autumn and in the spring and reports to the United Nations General Assembly through the Economic and Social Council (ECOSOC).

The TDB is open to all UNCTAD members and currently comprises 138 States. The Annual **Trade and Development Report**, published by UNCTAD, serves as a basis for the Board's analytical work on issues.

The chief change after UNCTAD VIII is that the Board is directly involved in policy issues and has a wider and effective operational role in adapting UNCTAD's work to changing world economic conditions, reviewing the work programmes and priorities, promoting organisational efficiency and reacting to reports from its subsidiary bodies.

More specifically, in addition to the function of monitoring the whole range of UNCTAD's activities, UNCTAD VIII charged the TDB with

- Dealing with the international implications of macro-economic policies; issues concerning economic interdependence; problems and issues in the trade and trade policy, and money and finance; and the problem of structural adjustment and economic reform
- Examining UNCTAD's contribution to the United Nations New Agenda for the development of Africa in the 1990s
- Reviewing, during the spring session, progress in the implementation of the Programme of Action for the Least Developed Countries for the 1990s, using the LDC Annual Report as background.

TDB Subsidiary Bodies

The subsidiary machinery of the TDB was considerably changed as a result of UNCTAD VIII. The Conference established four Standing Committees for a duration of four years, and five *Ad Hoc* Working Groups for a duration of two years.

To ensure flexibility, it also decided that the TDB would undertake a Mid-term Review to assess the Cartagena Commitment's implementation and review the work programme of UNCTAD's intergovernmental machinery. The Mid-term Review, which took place in May 1994, decided to wind up the five *Ad Hoc* Working Groups and created three new ones. UNCTAD VIII also decided to establish an *Ad Hoc* Working Group on Structural Adjustment for the Transition to Disarmament, the terms of reference of which will be finalised by the TDB.

Standing Committees

- Standing Committee on Commodities
- Standing Committee on Poverty Alleviation
- Standing Committee on Economic Cooperation among Developing Countries
- Standing Committee on Developing Services Sectors

Other Bodies

- The Special Committee on Preferences
- The Intergovernmental Group of Experts on Restrictive Business Practices.

Ad Hoc Working Groups

UNCTAD VIII had established *Ad Hoc* Working Groups on: Investment and Financial Flows; Trade Efficiency; Comparative Experiences in Privatisation; Expansion of Trading Opportunities for Developing Countries; Inter-Relationships between Investment and Technology Transfer.
Those groups were wound up, and the three new *Ad Hoc* Working Groups were established at the TDB's May 1994 Mid-term Review on

- Trade, Environment and Development
- The Role of Enterprises in Development
- Trading Opportunities in the New International Trading Context.

Other Organs serviced by the UNCTAD Secretariat

In May 1993, the United Nations General Assembly assigned to the UNCTAD secretariat responsibility for the substantive servicing of two subsidiary bodies of ECOSOC:

- Commission on Transnational Corporations: In July 1994, the ECOSOC agreed to recommend to the United Nations General Assembly that the Commission on Transnational Corporations be renamed the *Commission on International Investment and Transnational Corporations* and be made a Commission of UNCTAD's TDB.
- Commission on Science and Technology.

Methods of Work

UNCTAD VIII made several significant changes in the methods of work of UNCTAD's institutional machinery to streamline procedures and allow for more rapid decision-making. The key changes were

- Recognising that resolutions often reflect little more than the lowest common denominator of convergence, UNCTAD VIII decided that outcomes may be expressed in other forms more conducive to consensus-building, such as agreed conclusions and recommendations
- In a critical comment on the functioning of the group system, UNCTAD VIII urged greater flexibility in the manner in which Governments join with others within UNCTAD to pursue common objectives
- UNCTAD VIII called for greater encouragement for active participation in the work of UNCTAD by such external actors as relevant enterprises, trade unions, the academic community, non-governmental organisations and other international bodies, according to the issues in question.

II. MAJOR PROGRAMMES

INTERNATIONAL TRADE

UNCTAD's focus in international trade has been mainly on the need to

- Secure improved access for developing country exports to the markets of developed countries
- Strengthen the supply capacity of developing countries to expand and diversify those exports
- Seek adoption in developed countries of supportive policies, including more open markets and adjustment of production structures, in line with dynamic changes in competitive positions.

In the early years, efforts were concentrated on securing preferential treatment for developing country exports, which led in 1971 to the establishment of the *Generalised System of Preferences (GSP)*. Work on eliminating restrictive business practices and reducing non-tariffs barriers to trade had also begun.

UNCTAD VIII reaffirmed the needs to curtail protectionism and maintain an open and non-discriminatory trading system. But the scope was expanded to include trade in services, intellectual property and environment-related issues, trade policy reforms, improving competition, facilitating structural adjustment and optimising the relationships between investment and technology.

The International Trading System

In the early 1980s new protectionist measures in the form of non-tariff barriers to trade began to proliferate although tariff barriers had been reduced. By the early 1990s, the international trading system was marked by such developments as recourse to bilateral

and regional approaches outside multilateral trade disciplines, unilateral measures and threats of trade retaliation, and trade conflicts arising from trade imbalances. There was also a growing tension between long-established principles of national sovereignty and the expansion of the international trade agenda requiring multilateral rules in new areas.

UNCTAD, particularly the TDB, addressed these developments in the trading system and closely followed issues in the Uruguay Round of Multilateral Trade Negotiations. Technical assistance programmes were designed to increase effective participation of developing countries in negotiations on all subjects within the Uruguay Round.

UNCTAD VIII reaffirmed UNCTAD's mandate and important role and agreed that it "provides the most appropriate focal point, within the United Nations proper, for the integrated treatment of development and interrelated issues in key areas including trade, finance, investment, services and technology, in the interest of all countries, particularly those of developing countries".

In April 1994, the TDB agreed that UNCTAD should prepare "policy analysis and provide a forum for intergovernmental deliberation and global consensus-building on the new and emerging issues of the international trade agenda, such as trade and environment and competition policy, thus contributing to a better understanding of such issues, including their development implications for developing countries".

UNCTAD's analytical work centres on the implications for trade of structural adjustment policies and the trade policies of developing countries, including ways to increase their capacities to export industrial products, the role of foreign direct investment (FDI) and ways to acquire technology. UNCTAD is also a significant analyst of trade in services, particularly in such sectors as transport, insurance, tourism, trade financing and transfers of technology.

Generalised System of Preferences (GSP)

The GSP is a preferential tariff system under which very low or zero tariffs are placed by developed countries on many developing country exports, without seeking trade concessions in return. Currently there are 166 beneficiary countries, including 27 Central and Eastern European economies in transition.

The system is credited with generating more than $77 billion in beneficiary country exports in 1992 and continues to be successful after over two decades of existence. It consists of 16 separate schemes, which are similar but not identical. All schemes especially favour the exports of Least Developed Countries (LDCs).

GSP trade has grown at an average annual rate of 13.4 per cent since 1976 when all of the major GSP schemes were in force. But the System has not reached its full potential mainly because of restrictions on its scope and operations. Recent UNCTAD analyses estimate that implementation of the Uruguay Round agreements will reduce GSP coverage to only 32 per cent of beneficiary country exports, down from 39 per cent.

In May 1994, UNCTAD's *Special Committee on Preferences* agreed that a policy review of the GSP scheduled for 1995 should discuss all critical issues and seek to revitalise the System.

Enlarged Economic Spaces

UNCTAD VIII called for a review of the implications for developing countries and the international trading system of emerging regional free trade and economic integration agreements. It also called for promotion of regional and sub-regional integration, particularly among developing countries as a complementary means to strengthen the trade liberalisation process in the world economy.

The TDB achieved a broad consensus on certain principles for an outward-oriented behaviour of integration groupings and for international support. It also decided to convene a seminar on

Regional Economic Arrangements and their Relationship with the Multilateral Trading System.

Restrictive Business Practices (RBPs)

UNCTAD initiatives to improve competition in world trade became the backdrop to adoption by the UN General Assembly in 1980 of a Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices (RBPs). The Set was the first unanimously adopted multilateral instrument relating to the control of restrictive business or anti-competitive practices. It is the only international instrument on competition in existence so far.

The *Intergovernmental Group of Experts on Restrictive Business Practices*, established in 1981, monitors the Set's implementation and meets annually to discuss relevant issues. UNCTAD VIII reaffirmed UNCTAD's role in the area of RBPs and a third Review Conference of the Set, scheduled for 1995, will define future orientations. Competition policy is increasingly recognised to be one of the major future issues on the international trade agenda.

Trading Opportunities

Expanding trading opportunities for developing countries is one UNCTAD's main tasks, especially following UNCTAD VIII. The Working Group *on the Expansion of Trading Opportunities for Developing Countries* held four sessions from 1992 to 1994 to identify national measures to enhance the competitiveness of industries with export potential and to find ways of improving market opportunities for developing country exports.

The Group adopted its final report in July 1994, containing its findings and recommendations for actions at the national, regional and international levels, including technical cooperation activities.

In May 1994, the TDB decided to establish the *Ad Hoc* Working Group on Trading Opportunities in the New International Trading Context. Its

tasks are to identify new trading opportunities arising from the implementation of the Uruguay Round agreements, enhance understanding of the implications of the new rules deriving from those agreements, and analyse methods of giving effect to the decision on special provisions for the Least Developed Countries.

Economies in Transition

UNCTAD VIII called on member states to support the transition of the countries in Central and Eastern Europe to a market economy and to liberalise their trade regimes with those countries. The TDB is periodically assessing that process to identify opportunities for developing countries and strengthening the foreign trade capabilities of economies in transition as well as their participation in the multilateral trading system. UNCTAD will enhance technical cooperation for the development of trade between economies in transition and developing countries. It is also involved in projects for computerising customs procedures and the establishment of Trade Points in the economies in transition.

Trade and Environment

UNCTAD VIII and Agenda 21 gave UNCTAD a broad mandate in the areas of trade, environment and development. The TDB defined that role as lying in "policy analysis and debate, conceptual work, the building of consensus among member States on the interaction between environmental and trade policies, the dissemination of information to policy-makers and the encouragement and provision of assistance in capacity-building with emphasis on problems of the developing countries and the least-developed among them as well as countries in transition."
Topics selected by the TDB include

- Trends in the field of trade and environment within the framework of international cooperation

- The impact of environment-related policies on export competitiveness and market access.

The *Ad Hoc* Group on Trade, Environment and Development will examine the effects of environmental policies, standards and regulations on market access and competitiveness; market opportunities arising from the demand for environmentally-friendly products; and eco-labelling schemes.

UNCTAD is working closely with the United Nations Environment Programme and other organisations on analytical and conceptual issues as well as in providing technical assistance aimed at capacity building in developing countries.

Transparent National Mechanisms

Following on work done in the late 1980s, UNCTAD VIII called for further study of the implications for both the domestic economy and developing country exports of protective measures sought by firms or sectors. It also asked governments to consider establishment of transparent national mechanisms to evaluate those measures. For the first time, some of the heads of such existing mechanisms met under UNCTAD auspices in 1993. Among other things, they recommended priority for technical assistance to developing countries in that area.

Other New Orientations

Other new orientations given by UNCTAD VIII in the field of international trade include study of

- Inter-linkages among trade policies, structural adjustment and economic reform
- Ways to support observance of commitments by developed countries to grant differential and more favourable treatment in trade relations to developing countries

- Ways to maximise the positive impact of Uruguay Round results on the trade of developing countries and economies in transition
- Ways to encourage competition, promote the proper functioning of markets, improve the efficiency of resource allocation and further liberalise world trade
- Ways to encourage the international community to support the trade policy reforms of developing countries through improved market access and increased financial flows.

TRADE EFFICIENCY

Supporting an initiative taken by the secretariat, UNCTAD VIII decided to make trade efficiency a new priority task. The initiative's aims are to lower the cost of international trade transactions, enhance participation in international trade especially by small and medium-sized enterprises and promote efficient trade practices.

A key method of increasing efficiency is the use of new computer-based techniques which can help to save tens of billions of dollars in trade transactions costs. They can also revitalise trade by allowing poorer nations to better integrate themselves into the world trade system.

The first United Nations International Symposium on Trade Efficiency, due at a ministerial level in Columbus (Ohio) on 17-21 October 1994, is an early result of that initiative. It will consider concrete actions to enhance trade efficiency at the national and international levels. One aim is to create direct links between policy-makers and traders, while preserving full scope for private sector initiatives and increasing the involvement of small and medium-sized enterprises.

To these ends, the Symposium will adopt a Ministerial Declaration and trade efficiency guidelines and recommendations. These will be based upon the final report of the *Ad Hoc Working Group on Trade Efficiency* which contained declaration and a set of guidelines on trade efficiency in the areas of customs, transport, banking and

insurance, information for trade, business practices and telecommunications.

An important component of the Trade Efficiency Programme is the Trade Point Global Network currently being set up by UNCTAD. A Trade Point is a combination of a trade facilitation centre, a trade information centre and a gateway to international information networks.

RESOURCES FOR DEVELOPMENT

In UNCTAD's early years, the emphasis was on the volume and conditions of resource transfers and mechanisms for compensatory and supplementary financing. Questions of foreign debt were also prominent and UNCTAD was years ahead in predicting the external debt crisis of the late 1970s and 1980s. Its far-reaching recommendations included improved terms for financial flows, more effective debt management, major reduction of official and commercial bank debt, and adequate balance of payments financing mechanisms.

Following UNCTAD VIII, there is fresh focus on investment and financial flows, acquiring finance without creating foreign debt, and setting up new mechanisms to increase foreign direct investment. The report of the *Ad Hoc Working Group on Investment and Financial Flows* which concluded in March 1994 after four sessions, makes recommendations on foreign-direct investment (FDI), foreign portfolio equity investment (FPEI) and build-operate-transfer (BOT) arrangements. The Group's conclusions reflect considerable convergence of views and are aimed at assisting policy formulation and implementation in both host and home countries.

New Orientations

New directions given by UNCTAD VIII include

- Special attention to national policies for mobilisation of domestic savings in developing countries
- Work on guidelines on the process of financial liberalisation, reform of public sector enterprises, and privatisation
- Steps to improve climate for foreign direct investment
- Particular emphasis on the development of human resources, especially women
- Creation of a more conducive international economic environment through actions by developed countries to improve structural adjustment, reduce external and fiscal imbalances, and co-ordinate fiscal and monetary policies to achieve lower interest rates and stable exchange rates
- Study of improved policy measures to enhance the quality and quantity of external support for the reform efforts of developing countries
- Help to focus highly concessional assistance primarily on low-income developing countries with other needy countries receiving less concessional terms
- Efforts by both donors and recipient countries to improve the effectiveness of aid.

Conversion of Military Capacities to Civilian Uses

The transition to disarmament has raised the issues of the social and economic costs of the conversion of military capacities to civilian uses. In this context, orientations given by UNCTAD VIII include

- Analysis of the costs and benefits of structural adjustment for the transition to disarmament

- Review of country experiences, including such aspects as the macro-economic and social consequences of reduced military spending
- Determination of the framework for conversion, the scale and pace of the process, and inter-linkages with other programmes, such as enterprise development, human resources development, the use of ex-military personnel and poverty alleviation.

TRANSNATIONAL CORPORATIONS AND INVESTMENT

UNCTAD has welcomed the transfer to it of the UN Programme on Transnational Corporations (TNCs). At its 20th annual session in May 1994, the Commission on Transnational Corporations, which reports to ECOSOC, recommended that it should be renamed the UNCTAD Commission on International Investment and Transnational Corporations, and be made a subsidiary body of the TDB.

The work Programme on TNCs was established in 1974 to further understanding of the nature of TNCs and of their economic, legal, political and social effects on home and host countries and in international relations; securing effective international arrangements aimed at enhancing the contribution of TNCs to national development and world economic growth; and strengthening the negotiating capacity of host countries, in particular developing countries, in their dealings with TNCs.

The investment activities of TNCs are increasingly important driving forces for international trade, technological innovation and diffusion of economic growth. There is also wide consensus among developing countries and economies in transition that TNCs can play a key role in their economic development. Some of the Programme's recent orientations have thus included focus on

- Legal and institutional frameworks for attracting foreign direct investment (FDI) and taking advantage of its potential as a non-debt-creating financial flow

- Broader economic measures, encompassing property, company, contract and income tax laws conducive to international business operations
- Competitiveness and the creation of comparative advantage through technology and services
- Market access for small and medium-sized enterprises through joint ventures, non-equity ties and company networks with TNCs.

The Programme's research work provides a major source of information on TNCs. The Programme has issued more than 450 reports and over 150 book-length studies. Its annual *World Investment Report* is regarded as an authoritative source-book by policy makers, researchers and academic institutions around the world.

The Programme's technical cooperation work has also expanded considerably since its inception. The Programme has completed over 1000 technical cooperation projects which have generated an estimated US$25 billion of foreign direct investment. It has also carried out over 340 training workshops and provided training for more than 8,500 decision makers from some 100 developing countries.

PRIVATISATION AND ENTERPRISE DEVELOPMENT

With both developed and developing countries turning increasingly to privatisation, UNCTAD VIII established a new programme on privatisation and enterprise development and set up an *Ad Hoc* Working Group on Comparative Experiences with Privatisation. That provided governments with the opportunity to exchange privatisation experiences and to formulate guiding principles for the design and implementation of privatisation measures.

The major issues discussed included

- Conditions for the success of privatisation, including the adoption of a well-defined strategy and a clear framework for privatisation; and the needs for a broad consensus concerning privatisation goals and a supportive environment for private sector development
- Methods of privatisation, including various options
- The financing of privatisation, including the roles of domestic capital markets and foreign direct investment and external aid
- Technical, legal and financial aspects; the choice of public enterprises for privatisation; the sequencing of privatisation; the organisational, financial and operational restructuring of public enterprises before privatisation; and valuation issues
- Specific issues related to the privatisation of public utilities and infrastructure; measures to promote competition and the need for regulation in the context of privatisation; the social impact of privatisation and relevant support measures.

At its fourth and final session in April 1994, the *Ad Hoc* Working Group adopted a set of "Indicative Elements for Consideration in Formulating Privatisation Programmes", which includes guidelines and options for the formulation of privatisation policies.

COMMODITIES

It was recognised at UNCTAD I, and remains true today, that for many developing countries export earnings depend heavily on the demand and terms of trade for their unprocessed and semi-processed primary commodity exports. So UNCTAD has consistently recommended an integrated approach placing commodity export earnings at the core of economic development.

One result was the adoption at UNCTAD IV in 1976 of the *Integrated Programme for Commodities (IPC)* which became an umbrella for specific *International Commodity Agreements (ICAs)* and the

Common Fund, designed to underpin the ICAs with financial backing.

The IPC's objectives include achieving and maintaining price levels that are remunerative to producers and equitable to consumers by reducing excessive price fluctuations and assuring market access and reliability of supply. It is also aimed at helping to expand commodity processing in developing countries, improve marketing and distribution systems and support natural products in competition with synthetic substitutes.

Although designing measures to implement IPC goals has been difficult, it remains a historic landmark in cooperation between commodity producers and consumers. UNCTAD has played a central role in assisting the negotiation or renegotiation of ICAs which have been established for several commodities, including cocoa, jute and jute products, natural rubber, olive oil, sugar, tin, tropical timber and wheat. It also promotes regular consultations among commodity market and industry operators.

UNCTAD has been in the forefront of policy analysis and advice on commodity diversification, processing, marketing and distribution, as well as on improvement of market information, risk management and transparency of prices. Its work has led to the creation of Expert Groups for Iron Ore and Tungsten and the establishment of autonomous intergovernmental bodies for minerals and metals, including the International Nickel Study Group and the International Copper Study Group.

UNCTAD also maintains comprehensive databases, notably in minerals and metals, and has established a computer-based information and analysis system (MICAS) for use in both developed and developing countries.

Through its technical assistance activities, UNCTAD helps developing countries to reduce their import bills by negotiating better contracts for food procurement or enhance their capacity to manage the risks inherent in commodity markets when prices are *volatile and little* or no governmental support is available.

The Common Fund, an autonomous institution, is widely recognised as a significant instrument of international commodity policy. Its first

account, designed to finance the creation and operation of buffer stocks to help stabilise prices, is not currently used, but its Second Account which finances commodity development projects is operating successfully.

New Orientations

Several new institutional arrangements and orientations in the field of commodities have emerged as result of UNCTAD VIII, including

- Studying the need for sound, compatible and consistent policies emphasising increased reliance on market forces to determine commodity prices
- Preparing comprehensive commodity policies and strategies supported by strong national structures to improve competitiveness and encourage diversification
- Studying ways to achieve more efficient and transparent price formation mechanisms
- Defining new approaches to managing risks arising from commodity market fluctuations
- Comparing the advantages and problems of different commodity marketing systems
- Encouraging maximum participation in the Common Fund, fuller exploitation of resources and improved Second Account operations.

Commodities and Sustainable Development

Since the commodity sector has a major impact on sustainable development, UNCTAD VIII provided new orientations, including

- Studying inter-links between natural resources and sustainable development, including ways to reflect environmental costs in the prices of natural commodities

- Improving the international competitiveness of natural products with environmental advantages as compared with synthetics substitutes
- Contributing to national and international measures to achieve sustainable use of land, water and air resources, and the sustainable exploitation of mineral, fishery and forestry resources, while maximising the commodity sector's contribution to economic development
- Shaping mutually supportive environmental policies and regulations for mineral development, particularly in countries which depend heavily on mineral exports.

Further Developments since UNCTAD VIII

The Standing Committee on Commodities, set up by UNCTAD VIII, conducted a review at its January 1994 session of market-based management instruments and associated risks, national experiences of diversification, and the needs for financial and technical assistance to developing countries. The Committee is also expected to assist the TDB in deciding on the question of convening a *World Conference on Commodities* under UNCTAD auspices, as called for in the Cartagena Commitment.

A new International Cocoa Agreement was negotiated in 1993 under UNCTAD auspices and entered into force in February 1994. Its production policy mechanism represents a new contribution to commodity policy.

At its fourth session in January 1994, held under UNCTAD auspices, the *United Nations Conference on Tropical Timber* adopted the International Tropical Timber Agreement 1994 which brings together an economic and ecological partnership.

The first session of the *UN Conference on Natural Rubber* also met under UNCTAD's auspices in April 1994 to negotiate a successor to the International Natural Rubber Agreement of 1987. It will resume in October 1994.

SERVICES SECTORS

UNCTAD has been involved since its inception in such specific service sectors as transport, insurance, tourism and trade financing. This work has led to the negotiation of various instruments, particularly concerning maritime transport, as well as resolutions and guidelines.

UNCTAD also provided technical assistance and conducted interdisciplinary studies of the role of services in the development process and development strategies at the national, regional and multilateral levels. The assistance given for negotiations on the services sectors within the Uruguay Round was appreciated by developing countries.

Studies by UNCTAD were among the first to point out the role of the knowledge-intensive services sector in facilitating the adoption of new technologies and as a generator of employment opportunities and value-added.

The focus of UNCTAD's work is on enabling developing countries to benefit from liberalisation of trade in services. The chief change in orientation after UNCTAD VIII is the empnasis on matters of national concern rather than global issues. The new orientations include studying ways to

- Help developing countries and economies in transition to increase their export of services to developed countries and amongst themselves
- Help the international community to provide better support for developing country efforts to strengthen their services production and export capacities
- Facilitate the exchange of national experiences in service sector liberalisation, deregulation and privatisation, and foster market-oriented development of services
- Assess the impact of subsidies on international trade in services, especially the service exports of developing countries

- Collect and disseminate information on laws, regulations and other measures affecting access to services and service suppliers, including the possibility of setting up a computerised database to enhance the service exports of developing countries.

Shipping

UNCTAD has played a path-breaking role in the area of rules covering international shipping. A Committee on Shipping was set up in 1965 and focused on international shipping legislation and such developmental issues as the establishment and expansion of national merchant marines. It was later expanded to include multimodal transport, bulk cargo markets and registration of ships. Several binding and non-binding codes have been agreed in these areas. Among new orientations provided by UNCTAD VIII were

- Promotion of transparent and competitive maritime services, particularly the development of infrastructure, including ports
- Analysis and monitoring of developments in multimodal transport, including technological development and containerisation
- Further work on maritime legislation and strengthening human resources development.

UNCTAD VIII called for increased involvement of the various actors of the ports industry in UNCTAD's work. In 1993, the TDB approved the terms of reference of an Intergovernmental Group of Experts on Ports, recommended to it by the Bureau of the Standing Committee on Services. The Group's two main tasks are

- Port organisation, including issues relating to privatisation, commercialisation, deregulation and legislation
- Port management, including issues relating to human resources development, strategic planning, marketing, sustainable development and investment.

Insurance

UNCTAD's Insurance Programme provides support for developing efforts to build a viable domestic insurance industry and establish an appropriate regulatory and supervisory framework. UNCTAD has analysed the main issues in consultation with relevant government offices, the insurance industry, and regional and interregional associations. The conclusions are reflected in its advice and guidelines for the sector.

The issue of enlarged regional and sub-regional cooperation has been studied in the light of re-insurance problems, including the needs to achieve adequate reinsurance security and search for ways to increase retention levels.

Committee on Developing Services Sectors

In the past, the work and management of each service sector was guided by separate governing bodies. UNCTAD VIII rationalised the work by setting up a single body, the Committee on Developing Services Sectors: Fostering Competitive Services Sectors in Developing Countries, which meets in three separate sessions to deal with Services in general, Insurance and Shipping.

ECONOMIC COOPERATION AMONG DEVELOPING COUNTRIES

UNCTAD was the first UN agency to make Economic Cooperation among Developing Countries (ECDC) a part of its regular work programme in 1968, aiming primarily at strengthening sub-regional and regional economic integration and at facilitating and expanding South-South trade. It provided intellectual underpinning for ECDC through research, analysis and suggestions which have played a key role in shaping the ECDC debate over past decades.

Through advisory support and technical assistance, UNCTAD has helped to establish ECDC programmes and institutions and implement cooperation activities in Africa, Asia, Latin America and the Caribbean. At the inter-regional level, UNCTAD was instrumental in promoting the agreement on the *Global System of Trade Preferences among* Developing Countries (GSTP) which entered into force in 1989 after the first round of negotiations and has been ratified by 40 countries. The GSTP is aimed at promoting trade expansion and diversification among developing countries. A second round of GSTP negotiations was launched in 1991.

UNCTAD has contributed to strengthening monetary and financial cooperation among developing countries by supporting such multilateral clearing and payments arrangements as the Asian Clearing Union, and such trade financing institutions as the Arab Trade Financing Programme. The feasibility of establishing an inter-regional trade financing facility has also been under consideration in UNCTAD since 1991.

UNCTAD also promotes South-South trade by encouraging and facilitating cooperation among developing country enterprises, including joint ventures, the setting up of enterprise associations and promotion of joint meetings of chambers of commerce and industry. Both the Association of Latin American Trading Enterprises (ALAT) and the Association of African Trading Enterprises (ASATRADE) were set up under UNCTAD auspices.

New orientations after UNCTAD VIII include promotion of

- Sub-regional and regional integration processes that are more relevant and responsive to the evolving international economic situation, in particular those oriented towards outward-looking cooperation which could enhance the participation of developing countries in world trade and development
- South-South trade, through such means as identifying barriers to trade, trading opportunities and trade financing, and proposing measures for their removal; and encouraging and supporting cooperation among enterprises and their associations
- Policy dialogue among the donor community, sub-regional, regional and inter-regional groupings and other participants in ECDC programmes to design and implement further initiatives
- Closer regional cooperation in the design and implementation of structural adjustment programmes to better co-ordinate and rationalise national macro-economic policies and minimise harmful effects on neighbouring countries.

POVERTY ALLEVIATION

Since UNCTAD VIII, poverty alleviation has become a central issue within UNCTAD and its Standing Committee on Poverty Alleviation provides an inter-governmental forum with universal membership to deal continuously with the problems of poverty.

The chief aim of UNCTAD's programme is to help devise appropriate national and international policies to alleviate poverty, taking into account the diversity of national situations which must be addressed.

The main issues studied by the Standing Committee so far include social funds and safety nets, mobilisation of domestic and external resources for poverty alleviation, effects of structural adjustment programmes on poverty, job-creation policies, means for the participation of small-scale and micro-enterprises in international trade, and social mobilisation and organisation of the poor.

At its second session in July 1994, the Standing Committee adopted a set of recommendations for the World Summit on Social Development, to be held in Copenhagen in March 1995. The recommendations cover international trade, debt relief, Official Development Assistance (ODA), and structural adjustment programmes in terms of their relationships to poverty.

The orientation of UNCTAD's future work on poverty alleviation will be to link it with international trade and other development issues for which UNCTAD has major mandates and responsibility within the United Nations system. Future issues to be taken up by the Standing Committee include reducing poverty through expanded international trade *and more effective approaches to ODA.*

LEAST DEVELOPED COUNTRIES

Least Developed Countries (LDCs) have been a focal point of UNCTAD's work since its inception. A list of LDCs and criteria prepared by the UNCTAD secretariat to define LDC status were accepted and approved by the UN General Assembly in 1971.

UNCTAD has played a leading role in mobilising support for LDCs by providing the organisational framework and substantive support for two UN Conferences on LDCs held in Paris in 1981 and 1990. The first adopted a Substantial New Programme of Action (SNPA) for LDCs for the 1980s, while the second critically reviewed the SNPA and adopted a strengthened Programme of Action for LDCs for the 1990s.

The United Nations General Assembly entrusted the TDB with the task of conducting an annual review and follow-up of the Programme of Action for the 1990s. Under orientations given by UNCTAD VIII, the annual review focuses on

- Analysing and comparing experiences in formulating and implementing policies and plans in the LDCs

- Assessing the economic and social performance of the LDCs in the context of domestic factors and the international environment
- Monitoring the implementation of the commitments and measures contained in the Programme of Action
- Reviewing the assistance of the development partners in responding to the special needs and circumstances of the LDCs
- Monitoring, in particular, the involvement of women in the implementation of the Programme of Action.

UNCTAD is also entrusted with the substantive and organisation preparations for the High-Level Intergovernmental Meeting on the mid-term Global Review of progress in the implementation of the Programme of Action, expected to be held in autumn 1995.

Besides numerous studies, UNCTAD has been publishing since 1984 the Least Developed Countries Annual Report, which assesses LDC socio-economic performance, reviews national and international actions in their favour, and contains a basic data series on LDCs. In addition a provides a range of technical assistance and advisory services to those countries.

Land-Locked Developing Countries

UNCTAD has played pioneering roles in promoting co-operative arrangements between LDCs and their transit neighbours to facilitate transit transport and in mobilising international assistance for those arrangements. The TDB and the United Nations General Assembly conduct a bi-annual review and follow-up of UNCTAD's work in favour of the land-locked developing countries.

The new orientations of UNCTAD's work include

- Assistance in implementing policies and procedures to reduce transit costs
- Expansion of regional exports through the identification and development of sectors of regional comparative advantage

- Promotion of high value low-bulk exports
- Import substitution in both agriculture and industries, where appropriate.

UNCTAD provides technical assistance related to the improvement of transit facilities and services. The donor countries have made commitments to support these UNCTAD efforts particularly within the framework of regional co-operative arrangements between land-locked developing countries and their transit neighbours.

Island Developing Countries

UNCTAD has been a focal point for specific action at the global level in favour of island developing countries since 1972. It has periodically prepared analytical studies on the handicaps faced by those countries and has helped to identify measures for consideration at the national, regional and international levels to alleviate their problems.

Activities in favour of island developing countries will continue to focus on

- Preparing policy-oriented studies and providing up-to-date information, with emphasis on transport and trans-shipment by sea and air; and trade problems arising from smallness, remoteness and constraints in transport and communications
- Providing technical and advisory services and support for intergovernmental consultations and negotiations
- Preparing reports biennially to the United Nations General Assembly on the implementation of actions in favour of island developing countries taken by island governments, regional institutions and the international community
- Assisting, when called upon, in the implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States.

SCIENCE AND TECHNOLOGY

UNCTAD has been working on science and technology issues from the start. Its Intergovernmental Group on the Transfer of Technology was set up in 1970 and transformed into the Committee on Transfer of Technology in 1974. Until the end of 1991, the Committee considered issues relating to technology transfer, technological capability-building, the trade and development implications of new technologies, technological innovation, and laws and regulations for the transfer and development of technology.

UNCTAD VIII suspended the Committee and set up a new *Ad Hoc* Working Group on the Inter-relationship between Investment and Technology Transfer which completed its work in March 1994.

UNCTAD's tasks have widened considerably because a part of the former UN Centre on Science and Technology for Development has been transferred to UNCTAD and is included in its new Division for Science and Technology. This addition has combined with new responsibilities for UNCTAD in servicing the United Nations Commission on Science and Technology for Development.

The UNCTAD secretariat's work programme has been adapted to take account of these changes and now focuses on

- Science and technology policies to promote technological capability-building, enhancing international competitiveness, and encouraging entrepreneurship and partnership among enterprises
- Monitoring developments in science and technology, including new and emerging technologies, intellectual property rights and technological cooperation among governments, enterprises and the academic sector.

AFRICAN RECOVERY AND DEVELOPMENT

UNCTAD has a special unit which undertakes research on issues of specific interest to African countries and makes a major contribution into the UN New Agenda for the Development of Africa in the 1990s. The TDB selects a topic at one of its annual sessions for its consideration of African development and bases its discussions on the analytical reports submitted to it by the secretariat.

New orientations given by UNCTAD VIII include study of sustainable development, financial and human resources for development, trade, commodities and export diversification in African countries.

ASSISTANCE TO THE PALESTINIAN PEOPLE

Since 1983, UNCTAD has conducted a comprehensive assessment of the economic and social situation of the Palestinian people in the West Bank and the Gaza Strip. It has also completed a comprehensive set of statistical and other data on the economies of those territories.

Current activities include an inter-sectoral project on prospects for sustained development and a study on environmental issues affecting socio-economic development in the West Bank and the Gaza Strip. UNCTAD's analytical work has contributed to the preparation of a programme of technical assistance to the Palestinian people in the areas of UNCTAD's competence and an in-depth quantitative framework for examining the future prospects and needs of the Palestinian people.

TECHNICAL COOPERATION

UNCTAD's technical cooperation in trade encompasses almost all areas of its responsibilities. Assistance provided includes support for trade negotiations, trade policy formulation, commodity policy formulation and marketing, customs reform, trade efficiency, trade information, and the integration of developing countries and economies in transition into the world trading system.

Technical assistance is also provided for sustainable development through proposals on trade and environment and environmental finance. Other areas of technical assistance include debt management, insurance, investment, technology issues, enterprise development, multi-modal transport and transit, shipping, and ports.

The emphasis of UNCTAD's technical cooperation programmes is on capacity building and human resources development in developing countries and economies in transition.

One of UNCTAD's biggest technical cooperation programmes is the Automated System for Customs Data (ASYCUDA), which has been adopted by 50 countries.

The scope and depth of UNCTAD's technical cooperation activities have increased following UNCTAD VIII. New orientations include assisting developing countries to

- Achieve trade policy reforms
- Enlarge their share of the world's services trade
- Handle trade and environment issues
- Improve trade efficiency
- Improve commodity risk management
- Strengthen their technological development
- Increase trade with the economies in transition.

The scope and effectiveness of UNCTAD's technical cooperation depends to some extent on availability of funds and the willingness of donors to provide core support over a number of years to successful or promising programmes.

INFORMATION AVAILABLE FROM UNCTAD

Data

The collection and dissemination of statistics and data are among UNCTAD's important though less visible functions. In these tasks, it keeps abreast of state-of-the art techniques and develops its own unique computerised systems, as needed. One of the most innovative is the **Trade Analysis and Information System (TRAINS)**, which contains

- UNCTAD's Database on Trade Control Measures and elaborate information on GSP
- Trade data on imports at a detailed 6-digit level
- The System of the International Customs Tariffs Bureau (ICTB)
- The alphabetical index of the Standard International Trade Classification (SITC)
- The IMPORTERS database of the International Trade Centre UNCTAD/GATT.

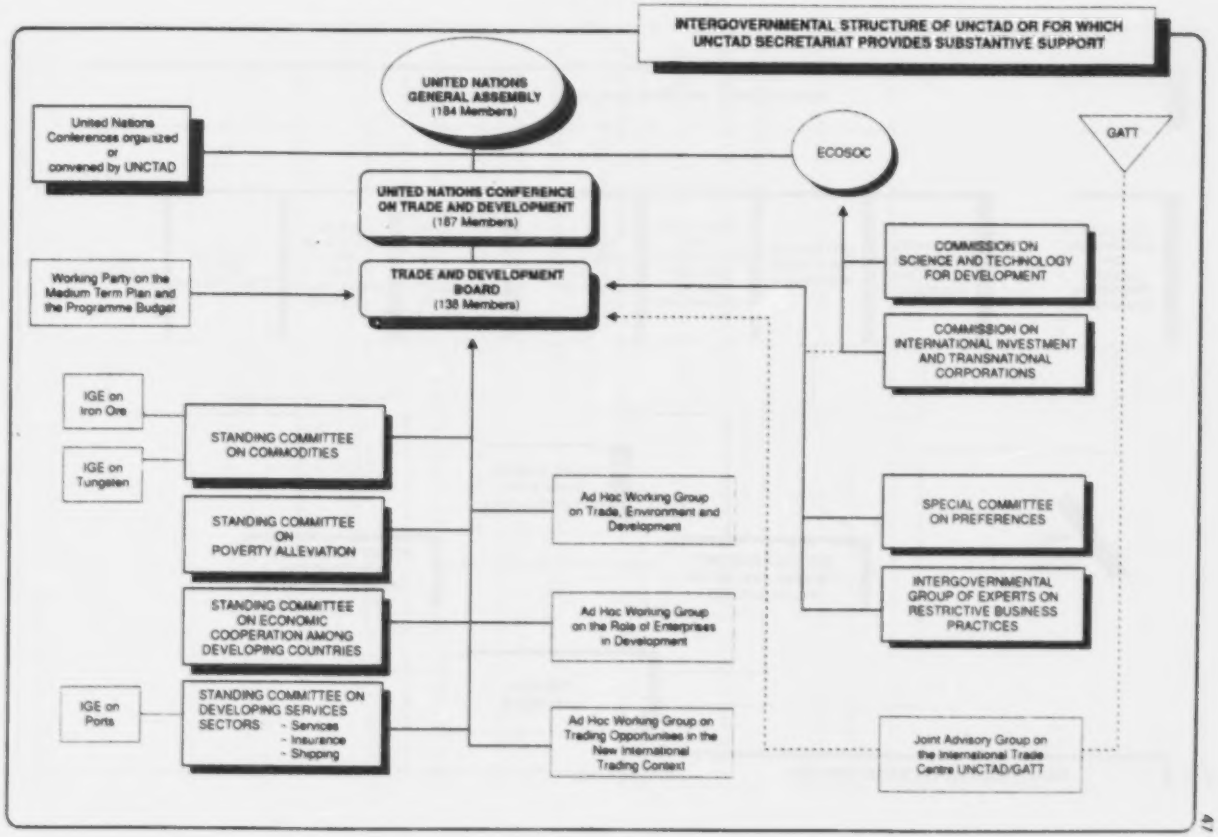
The **Economic Time Series Database (ETS)**, established in the mid-1970s together with its management system, provides data from various international sources in common format.

Publications

In addition to studies, analyses and other working papers prepared for meetings of the various committees and working groups, UNCTAD issues the following publications

- UNCTAD bulletin (6 issues a year, free of charge)
- Trade and Development Report (yearly)
- Transnational Corporations (three issues a year)
- World Investment Report (yearly)
- Science and Technology Report (quarterly)
- Advance Technology Assessment System Bulletin (occasional)
- The Least Developed Countries Report (yearly)
- Review of Maritime Transport (yearly)
- Handbook of International Trade and Development Statistics (yearly)
- UNCTAD Commodity Yearbook
- Monthly Commodity Price Bulletin
- UNCTAD Review (occasional)

UNCTAD also publishes Iron Ore Statistics, Tungsten Statistics, and International Tin Statistics.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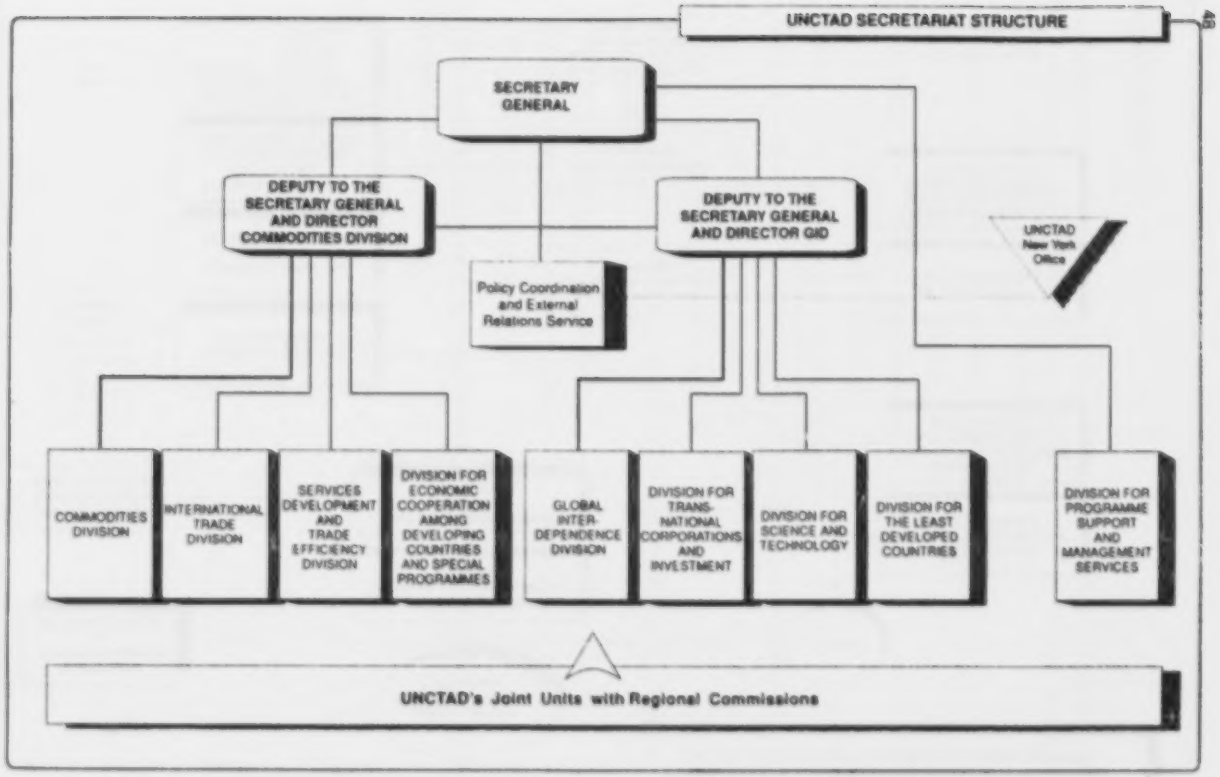
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Printed at United Nations, Geneva
GE.94-54039-October 1994-12,900

United Nations publication